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HOUSE BILLS

HB 34 SPECIAL GROUP LICENSE PLATE AMENDMENTS – Rep. Val Peterson (Effective 11/1/13) Authorizes an In God We Trust special group license plate for an individual who wants to recognize and honor American freedoms and values.

HB 54 PROPERTY TAX APPRAISER AMENDMENTS – Rep. Gage Froerer (Effective 5/14/13) Establishes requirements for county property tax appeal hearing officers; beginning 01/01/14, provides that a county BOE may only allow an individual to serve as a hearing officer if the individual has completed a course the commission has developed or approved relative to training in property valuation and administrative law; allows a person to present evidence or provide property tax information on behalf of another person in a property tax appeal under certain circumstances; provides that in reviewing evidence, a county BOE and the commission are to consider and weigh: (1) the accuracy, reliability and comparability of the evidence presented by the owner or county, (2) if submitted, the sales price of relevant property that was under contract for sale as of the lien date but sold after the lien date, (3) if submitted, the sales offering price of property that was offered for sale as of the lien date but did not sell, including considering and weighing the amount of time and the manner in which the property was offered for sale, and (4) if submitted, other evidence that is relevant to determining the FMV of the property; establishes that only a person who is a licensed appraiser may present an opinion of value and only a person who is not a licensed appraiser may present a price estimate; addresses contingent fees for both a licensed appraiser and a person providing a price estimate.

HB 67 PROPERTY TAX REVISIONS – Rep. Gage Froerer (Effective 1/1/14) Applies the 45% primary residential exemption to household furnishings, furniture and equipment owned by the owner of the dwelling unit and used exclusively within a dwelling unit that is the primary residence of a tenant; increases the property tax exemption for personal property to \$10,000; allows a county assessor to require the taxpayer to file a signed statement as described in Section 59-2-306 the first calendar year the taxpayer qualifies for the personal property exemption and provides that after the first year, the signed statement may only require the taxpayer to certify, under penalty of perjury, that the taxpayer qualifies for the personal property exemption.

HB 74 PROPERTY TAX MODIFICATIONS – Rep. John Mathis (Retrospective 1/1/13) Defines “split estate mineral rights owner” and provides that mineral extraction by a split estate mineral rights owner does not trigger the rollback tax on the associated land that has become ineligible for FAA assessment; in addition, provides that land that became ineligible for FAA assessment only as a result of a split estate mineral rights owner exercising the right to extract a mineral, qualifies for FAA assessment the first year the land resumes being actively devoted to agricultural use.

HB 79 MOTOR VEHICLE REGISTRATION AND INSURANCE AMENDMENTS – Rep. Stephen Handy (Effective 7/1/13) Provides that a new registration card issued by the Tax Commission on or after November 1, 2013 for vehicles other than vehicles registered under Section 41-1a-301, may not display the address of the owner or the lessee; provides that a card issued by an insurance company as evidence of owner's or operator's security on or after July 1, 2014, may not display the owner's or operator's address.

HB 86 PROPERTY TAX RATE CERTIFICATION DATE – Rep. Merrill Nelson (Retrospective 1/1/13) Provides that if the governing body of a taxing entity does not receive the taxing entity's certified tax rate at least 7 days prior to June 22, the governing body shall, within 14 days after receiving the certified tax rate from the county auditor, adopt a proposed or final tax rate.

HB 96 CLEANER BURNING FUELS TAX CREDITS AMENDMENTS AND RELATED FUNDING – Rep. Jack Draxler (Effective 1/1/14) For the 2014 calendar year, modifies eligibility requirements to claim tax credits for cleaner burning fuels; allows the corporate credit to be taken against a gross receipts tax liability under Title 59, Chapter 8; requires transfers from the General Fund into the Education Fund in the amount by which the tax credit claimed exceeds \$500,000.

HB 112 ASSESSMENT OF PROPERTY IF THREATENED OR ENDANGERED SPECIES IS PRESENT – Rep. Michael Noel (Effective 1/1/14) Requires a county assessor to consider in the county assessor's determination of the fair market value of property whether a threatened or endangered species is present.

HB 145 YOUTH ORGANIZATION RESTRICTED ACCOUNTS AND INCOME TAX CONTRIBUTIONS – Rep. Steve Eliason (Retrospective to 1/1/13) Creates the Youth Development Organization Restricted Account and the Youth Character Organization Restricted Account; provides for the distribution of amounts deposited into the accounts; enacts an income tax contribution for a youth development organization and for a youth character organization; provides that if the sum of the collections from the contributions do not meet a threshold amount, the Tax Commission shall remove the designation for the contributions from the individual income tax return.

HB 210 MOTOR VEHICLE EMISSION AMENDMENTS – Rep. Edward Redd (Effective 3/26/13) Provides that if a county legislative body enacts, changes, or repeals the local emissions compliance fee, the enactment, change, or repeal takes effect on January 1 (instead of July 1) if the Tax Commission receives notice prior to Oct. 1 (instead of April 1).

HB 291 MOTOR VEHICLE SAFETY INSPECTION AMENDMENTS – Rep. Jeremy Peterson (Effective 5/14/13) Changes the amount of time that a motor vehicle has to receive and pass a safety inspection from 6 to 11 months, if required in the current year, for the motor vehicle to be eligible for a temporary permit issued by a licensed motor vehicle dealer.

HB 300 RETENTION OF SALES AND USE TAX COLLECTIONS BY CERTAIN REMOTE SELLERS – Rep. Steve Eliason (Effective 1/1/14) Authorizes remote sellers who voluntarily collect a sales and use tax to retain 18% of the sales and use taxes the remote sellers would otherwise remit to the Tax Commission; provides that a seller that takes the 18% seller discount may not take the 1.31% seller discount; allows the commission to require a seller that takes this discount to file electronically; prohibits a seller from taking the 18% seller discount if Congress or the U.S. Supreme Court requires the seller to collect and remit sales taxes.

HB 325 MILITARY INSTALLATION DEVELOPMENT AUTHORITY AMENDMENTS – Rep. Brad Dee (Effective 7/1/13) Provides that if a military installation development authority (MIDA) levies a resort communities tax, the actual number of permanent residents within the project area shall be used as part of the tax

determination, and provides that the resort communities tax may be imposed if there are no permanent residents; provides for payment by a consumer of a municipal energy tax directly to the authority, if the consumer's energy supplier is not required under federal law to collect the tax; allows a MIDA to levy a MIDA energy tax on an energy supplier within a project area based on the delivered value of the energy; allows an energy supplier to recover an amount equal to its MIDA energy tax from its customers; provides that a MIDA energy tax is offset by any municipal energy tax paid by that customer on the same delivered value.

HB 379 RENTAL COMPANY REGISTRATION AMENDMENTS – Rep. Daniel McCay (Effective 5/14/13)

Authorizes an alternative special registration card and registration decals for license plates to be issued for a motor vehicle that is owned by a rental company and maintained in the rental company's rental fleet; provides that the alternative special registration card and registration decals for license plates are valid for the life of the motor vehicle while the motor vehicle is maintained in the rental fleet; requires an owner of a motor vehicle that receives the alternative special registration card and registration decals for license plates issued to renew the registration and comply with all the prerequisites for registration or registration renewal; and provides that if the registration renewal requirements are not complied with, the registration is suspended or revoked.

HJR 4 JOINT RESOLUTION ON REMOTE SALES – Rep. Steve Eliason (Effective 5/14/13) Urges the U.S.

Congress to pass S. 336 and H.R. 684, known as the Marketplace Fairness Act, which would permit states that enact certain tax simplification and uniformity standards to require retailers whose sales to consumers in the state exceed a minimum threshold to collect applicable sales taxes on sales in the state.

SENATE BILLS

SB 1 PUBLIC EDUCATION BASE BUDGET – **Sen. Howard Stephenson** (Effective 7/1/13) Sets the estimated minimum basic tax rate at .001691 for fiscal year 2013-14; this is an estimated rate for 2013-14 that will bring in \$294,092,000 in revenues, an increase from the \$289,021,900 for 2012-13.

SB 31 SPECIAL NEEDS ADOPTION CREDIT – **Sen. Wayne Harper** (Effective 1/1/13) Modifies the refundable income tax credit for the adoption of a child who has a special need to allow the credit for an adoption for which the adoption order is issued on or after 1/1/13; provides that the order must be issued by a court of competent jurisdiction of this state or another state, or by a foreign country; if the adoption order is issued by a court of competent jurisdiction in this state or another state, the claimant must be a resident of this state on the date the order is issued; for a foreign adoption, the adoption must be registered in this state; provides that the credit may not exceed \$1,000 per return.

SB 33 SALES AND USE TAX REVISIONS – **Sen. Howard Stephenson** (Effective 7/1/13) Enacts a sales and use tax exemption for sales of tangible personal property used in the preparation of prepared food if the ownership of the seller and the ownership of the purchaser are identical, and the seller or purchaser paid a sales tax on that tangible personal property prior to making the sale; enacts a sales and use tax exemption for purchases of machinery and equipment if: (1) the purchaser is an establishment described in NAICS Subsector 713, (2) the machinery or equipment has an economic life of 3 or more years and is used by a person who pays admission or user fees to the purchaser of the machinery or equipment, and (3) 51% or more of the purchaser's sales revenue for the previous calendar quarter is admission or user fees subject to sales tax.

SB 35 PROPERTY TAXATION OF BUSINESS PERSONAL PROPERTY – **Sen. Wayne Harper** (Effective 1/1/14) Increases the property tax exemption for personal property to \$10,000 aggregate FMV per county; allows a county assessor to require the taxpayer to file a signed statement as described in Section 59-2-306 the first calendar year the taxpayer qualifies for the personal property exemption and provides that after the first year, the taxpayer is only required to certify, under penalty of perjury, that the taxpayer qualifies for the exemption.

SB 36 CIGARETTE AND TOBACCO TAX AND LICENSING – **Sen. Wayne Harper** (Effective 7/1/13) Provides that a cigarette produced from a cigarette rolling machine shall be taxed at the same rate as a cigarette; provides that the tax on a cigarette produced from a cigarette rolling machine shall be paid on a return filed quarterly with the commission; provides for a credit or refund of tax for a cigarette rolling machine operator if a tobacco tax has already been paid on product placed into the cigarette rolling machine; enacts the Cigarette Rolling Machine Operators Act, including: requiring the certification and renewal of certification of cigarette rolling machine operators by the Tax Commission, providing procedures and requirements for a cigarette rolling machine operator to obtain certification or renewal of certification, requiring a cigarette rolling machine operator to make certain reports to the Tax Commission, requiring a cigarette rolling machine operator to maintain a secure meter on a cigarette rolling machine, addressing the denial or revocation of certification of a cigarette rolling machine operator, and addressing appeals.

SB 48 SPECIAL GROUP LICENSE PLATE REVISIONS – **Sen. Peter Knudson** (Effective 5/14/13) Repeals the provision that prohibits the Motor Vehicle Division from issuing a type of support special group license plate to

a new applicant beginning on January 1 after a three consecutive year period for which that type of support special group license plate had fewer than 500 license plates issued each year, if the support special group license plate type: (1) was issued prior to January 1, 2012, and (2) had fewer than 500 license plates issued each year for a three consecutive year time period that begins on July 1.

SB 58 AMENDMENTS TO SALES AND USE TAX – Sen. Wayne Harper (Effective 7/1/13) Addresses the disposition of state and local sales tax revenues collected as a result of Congressional or U.S. Supreme Court action requiring current non-nexus sellers to collect sales tax; provides that if one of the above-described actions occurs, the report the commission is required to make to the Revenue and Taxation Interim Committee shall state the amount of revenue collected at the time of the report, and estimate the state and local sales tax rate reduction that would offset the revenue estimated to be collected for the current and next fiscal year; requires the Division of Finance to separately account for the state and local sales tax revenue collected as a result of the Congressional or U.S. Supreme Court action.

SB 84 SALES AND USE TAX EXEMPTION FOR SHORT-TERM LODGING CONSUMABLES – Sen. Stuart Adams (Effective 7/1/13) Defines short-term lodging consumables and provides a sales and use tax exemption for the purchase of short-term lodging consumables by a business that provides accommodations and services.

SB 124 SALES AND USE TAX EXEMPTION FOR DATABASE ACCESS – Sen. Wayne Harper (Effective 7/1/13) Enacts a sales and use tax exemption for amounts paid or charged to access a database if the primary purpose for accessing the database is to view or retrieve data from the database; defines digital audiowork, digital audio-visual work, and digital book, and clarifies that the sales tax exemption does not include amounts paid or charged for a digital audiowork, digital audio-visual work, or digital book.

SB 141 EDUCATION CONTRIBUTION ON TAX RETURNS – Sen. Daniel Thatcher (Retrospective to 1/1/13) Provides an individual income tax contribution for the Invest More for Education Account; creates a restricted account known as the Invest More for Education Account, including providing funding for the account, and providing that the Legislature may appropriate money from the account for the support of the public education system; provides that if the collections from the contribution do not meet a threshold amount, the Tax Commission shall remove the designation for the contribution from the individual income tax return.

SB 171 SALES AND USE TAX EXEMPTION FOR ELECTRONIC FINANCIAL PAYMENT SERVICES – Sen. Howard Stephenson (Effective 7/1/13) Enacts a sales and use tax exemption for the purchase or lease of machinery and equipment, or normal operating repair or replacement parts, with a 3-year economic life that are used in the operation of an electronic financial payment service; defines an electronic financial service as an establishment within NAICS Code 522320.

SB 193 VEHICLE REGISTRATION AMENDMENTS – Sen. Scott Jenkins (Effective 5/14/13) Requires the Motor Vehicle Division to provide a credit against the fees and taxes charged to a person registering a street-legal all-terrain vehicle if the street-legal all-terrain vehicle was registered as an off-highway vehicle upon being purchased from a licensed dealer, and not more than 30 days have passed since the division issued the off-highway vehicle registration.

SB 196 LICENSE PLATE READER AMENDMENTS – Sen. Scott Weiler (Effective 5/14/13) Specifies circumstances when an automatic license plate reader system may be used by a person or governmental entity; provides that captured plate data is a protected record under the Government Records Access and Management Act; provides that captured plate data may only be shared for specified purposes, may only be preserved for 9 months, and may only be disclosed pursuant to a disclosure order or a warrant; prohibits a person from selling captured plate data for any purpose; establishes procedures for a governmental entity to submit a preservation request for captured plate data; and provides a penalty for violating the provisions relating to automatic license plate reader systems.

SB 222 TRANSPORTATION AMENDMENTS – Sen. Wayne Harper (Effective 5/14/13) Provides that beginning on the date the Motor Vehicle Division has implemented the division's GenTax system, the requirement to pass a safety inspection annually or obtain a valid annual federal inspection only applies to a motor vehicle with a gross vehicle weight rating of 10,001 pounds or more if the motor vehicle is a commercial vehicle.

SB 225 IMMIGRATION TRIGGER DATES – Sen. Curtis Bramble (Effective 5/14/13) Extends the program start date under the Utah Immigration Accountability and Enforcement Act from July 1, 2013 to July 1, 2015; and extends the start date for the Utah Pilot Sponsored Resident Immigrant Program Act from July 1, 2013 to July 1, 2015.

SB 238 PROPERTY TAX AMENDMENTS – Sen. Curtis Bramble (Effective 1/1/14) Modifies the property tax exemption for property owned by a nonprofit entity used exclusively for religious, charitable, or educational purposes to provide that a nonprofit entity includes an entity if the: (1) entity is treated as a disregarded entity for federal income tax purposes; (2) entity is wholly owned by, and controlled under the direction of, a nonprofit entity; and (3) net earnings and profits of the entity irrevocably inure to the benefit of a nonprofit entity; provides that a county legislative body may reduce the value of a property, or issue a refund of property taxes paid, on a property for which an appeal has not been filed if: (1) the county BOE, the commission, or a court reduces the value of the property, (2) the property is assessed in the next calendar year at a value that is at least 5 times greater than the value established at the time of the valuation reduction, and (3) the county legislative body determines that the assessed value exceeds fair market value.

SB 247 AMENDMENTS TO REVENUE AND TAXATION – Sen. Wayne Harper (Effective 7/1/13) Effective 7/1/13, repeals Articles III, IV and IX of the Multistate Tax Compact; repeals Utah's membership in the MTC effective 6/30/14 and on 7/1/14 allows Utah to participate in the MTC audit and nexus programs.

SB 249 SALVAGE AND NONREPAIRABLE VEHICLE AMENDMENTS – Sen. Stephen Urquhart (Effective 5/14/13) Provides that a vehicle that has been issued a nonrepairable certificate may not be registered; requires an operator of a motor vehicle auction, for a vehicle with a salvage certificate purchased at a motor vehicle auction, to electronically apply for a salvage certificate of title and provide evidence of compliance with certain requirements; provides that a vehicle sold at or through a motor vehicle auction to an out-of-state purchaser with a nonrepairable or salvage certificate may not be certificated in Utah until the vehicle has been certificated out-of-state; prohibits a person who has been convicted of any law relating to motor vehicle commerce or motor vehicle fraud from purchasing a vehicle with a salvage or nonrepairable certificate; provides that a person or purchaser who is not licensed as a salvage vehicle buyer: (1) may not bid on or purchase more than five salvage vehicles with a nonrepairable or salvage certificate in any 12-month period,

(2) may not offer for sale, sell, or exchange more than two vehicles with a salvage certificate in any 12-month period to a person not licensed as a salvage vehicle buyer or crusher, or (3) may not offer for sale, sell, or exchange a vehicle with a nonrepairable certificate to a person not licensed as a salvage vehicle buyer or a crusher; provides penalties for the knowing or intentional concealment, removal, destruction, or alteration of a disclosure statement or of a branded certificate of title; establishes a private cause of action for owners who violate the requirement to disclose that a vehicle is a salvage vehicle.

SB 250 SALES AND USE TAX EXEMPTION FOR SALES OF A FUEL CELL – **Sen. Ralph Okerlund** (Effective 4/1/13)
Defines “fuel cell” and provides a sales and use tax exemption for sales of a fuel cell.

SB 269 PROPERTY TAX REVISIONS – **Sen. John Valentine** (Effective 5/14/13) Authorizes a taxing entity to levy a property tax that exceeds a maximum levy if the tax rate the taxing entity imposes is at or below the taxing entity’s certified tax rate.